

Policyholder Warning: What One Provision Giveth (Defense Costs), Another Provision May Taketh Away

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Professional liability insurance policyholders often breathe a sigh of relief when their insurer begins funding the costs of defending against a civil claim or government investigation. That is one of the reasons they bought the insurance in the first place! However, as one policyholder recently learned, just because the insurer advances defense costs doesn't mean that the policyholder can forever close its books on those costs. In *Protection Strategies, Inc. v. Starr Indemnity & Liability Co.*, after several former executives of the insured pled guilty to criminal charges - triggering various exclusions in the policy - the Fourth Circuit allowed the insurer to recover all of the defense costs it had advanced to its insured... [Continue Reading](#)

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